

## **Blending Owner Needs and Project Goals for Success**

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What is important to the owner that initiated the project in the first place? In many cases the almighty dollar (return-on-investment, ROI), time to market, or need for space to house tenants is the major driver that initiated the project.

Also, large inventory owners know that providing long-term maintenance, security, and future repair and alterations are part of the continuing cost of quality asset ownership. As most know, the initial construction cost is only a small fraction of the whole life ownership cost of a building. Therefore, in addition to the initial project driver, the owner (or the owner's organization) is looking to minimize expenditures – whether in the first cost or the long-term ownership costs.

Owner needs are business goals that span time and primarily deal with mission, occupancy, quality, maintaining, and flexibility. Achieving business goals is affected by size and rentable space, energy performance and maintainability. An example might be that the ROI of a project is be reduced by a costly claim not anticipated. The business goals may extend to what a client or occupant of the space needs, such as early beneficial occupancy for particular areas or systems – such as to install occupant security or telecom before move-in.

Whereas, Project goals are generally short-term and focused on dealing with: scope, quality, schedule and budget. Project goals must achieve the business goals to make a project a success to the owner. Divergent project goals may mean failure to the owner, or certainly a less profitable or mission hampering. An example, delivery of a smaller facility of higher quality features for the same cost might reduce size and the rentable area. This could reduce the rental income, which in turn, reduces the ROI.

It is important from the CM perspective to know the owner's "hot buttons," the drivers of a project, and the key stakeholders interest that may be important to the owner. Meeting the owner needs is the real issue that will be remembered long after the project is complete. Meeting these business goals may be the basis for seeking these same firm for future or expanded services

The owner is buying the CM's expertise to supplement his limited staff as the method, the eyes and ears, the expert resources, and the responsibility to execute all necessary actions to deliver the facility to meet the business goals. To meet the owner's expectation to lead in the development and delivery of the project expectations, the Construction Manager needs to bring to the table a team that stays focused on the desired outcome to meet the business goals. The Construction Manager's ideal relationship with the owner is a business partner where their role is one of trust.

The owner desires professional expertise to act as the owner's "trusted advisor" in providing project leadership to assist the owner in achieving the true business goals. The Construction Manager must understand the owner needs and lead the project by taking actions that achieve these business goals.

Many things can contribute to meeting these issues, such as:

- Coordination among project and contract teams
- Timely resolution/response
- Market Knowledge (bidding and costs)
- Schedule pursuance to meet delivery time to market

- Cost of Services
- Higher Quality/flexibility of use
- Extensive performance goal setting and testing for performance

Further, upon turnover and occupancy, it is important that the facility ‘hits the road running’ by being ready for tenants by having all support services (e.g., fire, elevator, security, telecom, phone, and heating/air conditioning services) up and running when tenant move in. Many little things contribute to larger problems, such as:

- Lack of accurate CAD drawings that the owner can use for space assignment and rent billing, measurement for janitorial services, and equipment maintenance contract.
- Lack of re-balancing after air balance failure in particular areas
- Operability/programming of energy monitoring systems
- Lack of spare parts for hard to get or non-standard sizes (such as filters)
- Lack of information on cleaning of materials
- Lack maintainable features, such as inability to wash windows or replace light bulbs in atria
- Lack of vendor lists to supply parts or perform maintenance.

Such items slow the process of start-up, can quickly cause disruption of building services, or affect tenant attitudes toward the competency of the owner and his team. Many small issues, especially affecting tenants, become lingering biases. Critical owner needs are these business areas of providing space and maintaining that space to the same quality level.

The Commissioning Agent and/or Construction Managers can provide this level of leadership by knowing the owner’s needs, translating these into project goals, setting performance parameters, establishing testing programs to assure meeting the performance, and ‘tweaking’ systems to meet goals. Programs, such as energy conservation, commissioning, and sustainability, are desirable due to their ability to assure quality performance and to reduce the whole-life ownership costs.

There are additional opportunities that this may offer the CM:

- Program Management responsibilities
- Commissioning and sustainability
- Assisting in pricing by categorizing cost for security and build-out for rent.
- Energy performance monitoring/testing
- LEED rating documentation and filing
- Managing or contract administration of follow-on contracts for tenant or

The owner’s Construction Manager as Agent is the sole party in the project team that can assure success. If the Construction Manager does not take on the responsibility of achieving the owner’s business goals, the completion of the project does not assure the meeting of the owner’s business goals.